Congress of the United States

Washington, B.C. 20515

January 24, 2022

The Honorable Isabel Guzman Administrator U.S. Small Business Administration 409 3rd Street SW Washington, DC 20416

Dear Administrator Guzman:

We write to request your partnership in making improvements to the Shuttered Venue Operators Grant (SVOG) program to account for the ongoing public health crisis. On January 19, 2022, the House Small Business Committee held a hearing on "The Power, Peril, and Promise of the Creative Economy," during which we heard from representatives of the nearly 5.2 million Americans who work in the arts and creative industries. Performing arts businesses were among the first to feel the impacts of the COVID-19 pandemic and will be among the last to recover. Millions of these workers rely on businesses like theaters, cinemas, concert halls, and other arts venues for their livelihoods.

The Shuttered Venue Operators Grant (SVOG) program has provided nearly \$14 billion in targeted assistance to over 12,800 arts and cultural businesses across the country, including more than 8,704 that have received supplemental grants. Most of these funds have been awarded to the smallest businesses with 50 or fewer full-time employees. We appreciate SBA's work to disburse these funds following the program's launch.

But as the witnesses in our January 19 hearing testified, arts workers and venues have seen their economic recovery again halted by the record-breaking wave of COVID-19 infections caused by the Omicron Variant. Because program rules restrict recipients of initial SVOG grants from using proceeds to cover expenses incurred after December 31, 2021, these businesses are left without a tool to address the ongoing crisis. Further, there are \$2 billion in unobligated appropriations remaining in the program which must be used to support these businesses as soon as possible.

Congress and SBA must work together to make improvements to the SVOG program so that arts and performing businesses can survive Omicron-related impacts. We request a meeting with your office at the earliest possible date to discuss administrative and legislative solutions to accomplish these goals.

Sincerely,

Judy Chu

Member of Congress

Judy Chu

Nydia M. Velázquez

Chairwoman

Committee on Small Business

U.S. House of Representatives